

LPI.ASX

23 August 2021

SUCCESSFUL COMPLETION OF A\$12.4 MILLION PLACEMENT

- **LPI receives firm commitments for a placement of A\$12.4 million from sophisticated and institutional investors**
 - **The placement was well supported by new and existing shareholders, located domestically and offshore**
 - **Funds raised will support the 51.6%-owned joint venture company, Minera Salar Blanco, as it progresses to a final Project Development decision on the Maricunga lithium brine project**
 - **Funds will also be applied to increased exploration at the Greenbushes lithium prospects in Western Australia**
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Lithium Power International Limited (ASX:LPI) (“**LPI**” or the “**Company**”) is pleased to announce the completion of a placement of new, fully paid ordinary shares to existing and new sophisticated and institutional investors to raise gross proceeds of \$12.4 million (“**Placement**”). Funds raised from the Placement will be used for ongoing funding for Minera Salar Blanco (“**MSB**”) in the development of the Maricunga Lithium Brine Project (“**Maricunga**”) and for renewed exploration programs at the Greenbushes Project and other possible targets in Western Australia.

The Placement was undertaken at an issue price of A\$0.26 per share, representing:

- a 10.3% discount to the last closing price of LPI shares on Thursday, 19 August 2021, of A\$0.29: and
- a 12.9% discount to the 5-day volume weighted average price of LPI shares trading on ASX up to and including Thursday 19 August 2021, of A\$0.30.

Canaccord Genuity (Australia) Limited acted as Lead Manager to the Placement and Everblu Capital Pty Ltd acted as Co-Manager.

The Placement will result in the issue of approximately 47.69 million new shares and was conducted using the Company’s available capacity under ASX Listing Rule 7.1.

Lithium Power International Ltd

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ASX CODE: LPI

CHARGING THE FUTURE

LPI fully funded to the Final Investment Decision for Maricunga

Having contributed A\$6.2m to MSB for the calendar year-to-date to enable the additional deep drilling program to expand reserves, the funds raised in the Placement ensure Maricunga remains fully funded to Final Investment Decision. This will enable the completion of an updated JORC Resource Report due for finalisation and release mid-September 2021, an updated Definitive Feasibility Study (DFS) due for release early November 2021 and finalisation of the EPC bidding process by the end of December 2021.

The Company continues to work with Mitsui & Co. Ltd. on its due diligence, along with process testing of samples of Maricunga brine in its Japanese facility. It is expected that the existing non-binding MOU, announced to the ASX on 11 May 2021, will progress to be binding in Q1 2022. The Company is also pleased to advise that it is in discussions with several other potential international partners to take a financial position, with both debt and/or equity, in the development of the project.

In addition to continued development at Maricunga, the Company will progress with its exploration program in the Greenbushes Project area. Preparatory work is currently being undertaken, with a 2,900-metre drilling program being planned in Q4 2021. In addition, the Company is considering expanding its holdings in Western Australia.

LPI's Chief Executive Officer, Cristóbal Garcia-Huidobro, commented:

“The successful completion of the A\$12.4 million Placement is important for a number of reasons, not the least being the calibre of new investors now on our share register. The ongoing support of existing shareholders adds considerably to our strong base ahead of the Maricunga project development decision.

We are also working closely with a number of large, international institutions to partner us in the final development of Maricunga. The quality of these potential partners is very encouraging.

The Board of LPI wishes to thank existing shareholders for their support as we take the next exciting steps in the development of LPI's flagship Maricunga Project, and further explore the opportunities ahead at Greenbushes in WA.”

This announcement has been approved by the Board of directors.

For further information, please contact:

Cristóbal Garcia-Huidobro – CEO or Andrew Phillips - CFO

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